

Senator Bob Oke's LEGISLATIVE UPDATE

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The House and Senate have until 5 p.m. on Friday, April 15 to act on bills from the opposite chamber – except those measures necessary to implement the budgets. The 2005 regular session is scheduled to end on Sunday, April 24.

ELECTION CHALLENGE UPDATE

✓On April 5, Chelan County Superior Court Judge John Bridges set May 23 for the election challenge trial to begin. A preliminary hearing on May 3 will determine what the burden of proof will be for the state Republican Party. Observers believe that no matter what Judge Bridges decides, the case will be appealed to the Washington State Supreme Court. The state Republican Party is optimistic the Supreme Court will render a final verdict in June.

✓ King County's troubles got worse when election workers recently discovered 94 unopened and uncounted absentee ballots from the November 2004 election. Their discovery brought to light that an internal report in November said workers lost track of 86 ballots – now known to be 93 – and did not report this to the King County Canvassing Board. Dean Logan, King County Elections Director, said the ballots will not be tallied without a court order.

- In the wake of this recent discovery, two Republican King County Council members have called for Logan's resignation. Republican members of the council have already formally asked the U.S. Justice Department to investigate to determine if fraud was committed by King County elections workers and two Democrat members of the council have called for an independent audit of Logan's department.
- On April 5, three King County elections workers were suspended after the department received notice from eight out-of-state voters saying they received empty envelopes instead of ballots for the upcoming special election on April 26 for the Valley Medical Center in Renton.

✓ Pierce County Auditor Pat McCarthy has admitted to finding a "small number" of unopened and uncounted absentee ballots from the November election. The ballots were discovered by election workers while sorting through 650 boxes of ballot envelopes to comply with a public records request connected with the court challenge. McCarthy said she would release the exact number of ballots found when her staff is finished going through the boxes. Snohomish County, in complying with the same request, has so far discovered one unopened and uncounted ballot.

✓ Hundreds of provisional ballots in four Eastern Washington counties (Adams, Stevens, Walla Walla and Whitman) were tallied without first matching signatures on the ballot envelopes with signatures on file. These ballots were checked to make sure names and addresses matched with registered voters, but the signatures were not verified as required by state regulation. Democrats say the votes should be tossed out Rossi won between 53 and 68 percent of the votes in these counties.

ELECTION REFORM UPDATE

Democrats continue to reject Republican efforts to require persons registering to vote to show proof of U.S. citizenship and requiring voters to show photo ID at the polls.

The omnibus reform bill that came out of the Democrat-controlled Senate, **Senate Bill 5499**, had a watered-down version of voter identification that allowed a person to show his or her voter registration card to prove his or her identity at the polls. The House Democrats on the state government committee took even this minimal protection out of the bill. Other provisions removed by House Democrats include:

- Random investigation of county registration lists with statewide lists;
- Allowing overseas military ballots received after election day to be counted;
- Prohibiting ballot enhancements by election workers to determine "voter intent;" and
- Requiring drivers' licensing agents to ask people registering to vote if they are at least 18 years of age and if they are a U.S. citizen.

As changed by the committee, this bill must now pass the full House. If the amended version is approved, it will return to the Senate for another vote because it is substantially different from the version already approved by the Senate.

The House state government committee did not change:

Senate Bill 5564, co-sponsored by Sen. Oke – Requiring election workers have easy-to-understand manuals for every step of the process.

Senate Bill 5565, co-sponsored by Sen. Oke – Improving the voting process for military and overseas voters.

If these measure are approved by the full House, they will go to the governor who is expected to sign them into law.

Voting by Mail: The House originally passed a bill mandating all elections be conducted by mail by 2008 (**House Bill 1754**). The Senate originally passed a bill allowing county legislative authorities to require all elections be conducted by mail (**Senate bill 5744**). The Senate elections committee amended HB 1754 so that it now allows vote-by-mail decisions to be made county legislative authorities. The House state government committee amended SB 5744 so that all elections must be conducted by mail by 2012. Since both measures have been substantially changed in the opposite chamber and these changes demonstrate a very big difference of opinion between House and Senate Democrats on this issue, vote-by-mail changes may die in dispute or a compromise may be reached in a House and Senate conference committee.

Primary Election Date: The House measure moving the primary election back to the third Tuesday in August has been approved by the Senate elections committee and is eligible for a full Senate vote. (**House bill 2027**)

AGENDA FOR WASHINGTON 2005

Washington State House & Senate Republicans: Moving Washington Forward

★★★ SENATE REPUBLICANS UNVEIL "NO NEW TAXES" SPENDING PLAN ★★★

On April 7, Senate Republicans unveiled "The People's Budget" – a responsible spending plan for the next two years that doesn't raise taxes, doesn't create large deficits in the future, and doesn't skip pension payments. The Senate Republican proposal would:

Protect taxpayers – No new taxes

Protect pensions – No skipping of a pension payment

Protect education – Fully fund I-728 and I-732 while expanding access and providing more than 10,000 new enrollments for higher education

Protect environment – No raiding of environmental accounts, provide free access to state parks **Protect accountability** – Create a more sustainable budget that reduces reliance on one-time funds, enacts more ongoing savings, and leaves a larger ending fund balance.

More detailed information on the "The People's Budget" is available online at: www.src.wa.gov.

HOUSE DEMOCRAT BUDGET MIRRORS SENATE DEMOCRAT BUDGET

Unnecessary taxes and unsustainable spending characterize the House Democrat spending plan released on April 6 – a near mirror-image of the Senate Democrat budget passed on March 30.

- All three budget plans the Senate and House Democrat plans and Gov. Gregoire's plan resurrect the state death tax that was buried by 67 percent of Washington's voters in 1981.
- Like the Senate Democrat plan and the Governor's plan, the House Democrat plan skips the unfunded pension liability payment pushing the problem into the next biennium and opening the state up to a lawsuit.
- The House Democrat proposed cigarette tax increase is 20 cents lower, but their spending plan's dependence on one-time money for ongoing costs is higher.

GAS TAX PLAN CONTROVERSIAL

Under the Senate-proposed transportation project list and revenue package, many communities around the state will finally get long-awaited safety, congestion relief and vital economic development transportation projects. Under the proposed plan:

- The state gas tax will increase 3-cents per gallon tax in 2005 and another 2 cents in 2006. Beginning in 2007, the gas tax will automatically increase by 1 cent per year for the next ten years. For someone who drives 15,000 miles per year and gets 25 miles per gallon, the additional tax will be \$2.50 more per month in 2006 and \$7.50 more per month in 2016.
- All vehicles will be subject to a new weight fee. This new fee would add \$5 to the annual \$30 car-tab fee for the owner of a compact car. The owner of a big car or pickup truck would pay an additional \$15 and an SUV would cost \$25 more per year to license. Motorhome weight fees will depend on the weight of the motorhome.

Originally, the plan called for the repeal of I-776 so that city and county councils could impose a local license-tab fee of up to \$20 per year, rising to \$30 per year in 2015. City and county governing bodies would have also been authorized to enact an ordinance imposing an excise tax on housing units of up to \$4 per month; an excise tax on businesses of up to \$2 per employee; and a special property assessment of up to \$50 per year. Senate Republicans were successful in getting the Transportation chair to agree to remove these fees from the revenue package.

The transportation package raises \$9.1 billion over 16 years to pay for more than 200 highway, bridge and intersection improvements across the state. **Senate Bill 6091** is the spending plan and **Senate Bill 6103** is the revenue package. More detailed information about the plan is available online at: http://www1.leg.wa.gov/Senate/Committees/TRAN/.

Senate and House transportation leaders are negotiating on a plan that could pass both chambers. The House Transportation Committee chair said he will announce his plan on Monday, April 11. House leaders have stated it's likely any gas tax approved will be lower than the original Senate proposal.

Message from Senator Oke on the Senate gas tax proposal:

I did not sign the "do pass" recommendation from the Transportation Committee. I fully understand the serious needs of transportation in this state, but after fighting so hard for so many years for more help from the state in paying for the new Narrows Bridge, I had to vote on behalf of my constituents.

Although I did not vote to move the transportation revenue package out of committee, I still believe it is important that I share with you my thoughts on a a few aspects related to transportation funding.

Many people who contacted me raised the issue of state gas tax money going toward the mega projects in King County – the Alaskan Way Viaduct and the 520 bridge.

While there is money in the proposed 2005-07 transportation budget for pre-design work on both of these projects, both of these projects also have had toll feasibility studies.

It is the conclusion of these studies that because of the enormous cost of these projects, it is unrealistic to believe tolls could cover the entire cost. Both routes have easy alternatives and people who wanted to avoid the tolls would cause major problems on these alternative routes.

For example, the study of the 520 bridge concluded that no more than \$844 million could be funded by tolls. This is an estimated \$3 billion project.

I also heard from people who simply object to an increase in the gas tax with a gallon now costing over \$2.00 in most places. Obviously, the state cannot mitigate cost increases caused by OPEC raising the price of a barrel of crude oil or the need for more refineries in the United States to meet the demand. These cost drivers are difficult issues that only our federal government can hope to address.

However, I do consider the gas tax a user fee and a bipartisan issue. In 2003, the Legislature created the Nickel Fund to take care of specific road projects. This raised the gas tax by five cents. Prior to 2003, the gas tax was last raised in 1990.

I believe that if we want safe roads that get us where we are going without constant delays and worries, we have to pay for them. The gas tax is a dedicated fund protected by the Washington State Constitution. No one can beg, borrow or steal gas tax money for any other purpose than transportation.

The 26th District benefited from the Nickel Fund – the improvements to SR 16 on both sides of the new bridge are being paid for out of the Nickel Fund. None of us will cross the new bridge without using and benefiting from these connectors.

UPDATE ON BILL TO FIGHT TOXIC ALGAE IN LONG LAKE

The House amended **Senate Bill 5699**, **sponsored by Sen. Oke**, that creates two accounts to specifically prevent and control aquatic invasive species and toxic algae in Washington's waters. The amendment prioritizes lakes that have experienced harmful algae blooms within the past three years. This includes Long Lake. SB 5699 passed the Senate on March 14, but it must come back to the Senate for concurrence in the House amendment before it can go to the governor to be signed into law.



HOUSE DEMOCRATS USE SLEIGHT OF HAND TO MOVE BILL REPEALING 2003 REFORMS TO STATE'S UNEMPLOYMENT INSURANCE SYSTEM

Long after the deadline for the Senate and House to pass their own bills to the next chamber for consideration, House Democrats took up **House Bill 2255** and passed it to the Senate. This measure <u>repeals</u> the Senate Republican reforms to the state's unemployment insurance system enacted in 2003 (**Senate Bill 6097**) – a key recommendation of the Washington Competitiveness Council convened by former Gov. Locke. Senate Democrats played along with the sham and heard HB 2255 in the Senate Labor, Commerce, Research & Development Committee on Wednesday, April 5 and approved it on April 6. During Wednesday's public hearing, the chair would not allow committee members to ask any questions of those who testified.

Prior to the 2003 reforms, Washington's UI system was 317 percent more expensive than the national average cost per employee. Nine months after the first phase of the reforms kicked in, Washington's system was still 278 percent higher than the national average and Washington employers paid the nation's fifth highest average weekly benefit payment. The second and final phase of the reforms only began in January 2005.

SB 6097 enacted the following key reforms in an effort to bring unemployment costs more in line with the rest of the nation:

- A new tax schedule was created to provide greater equity in accounting for socialized costs among employers. The new tax array is more focused on an employer's actual layoff experience.
- Rates were capped at 6% for agriculture employers and the fishing industry, and 6.5% for all other employers.
- Benefit calculations were changed to base the payments on claimant's annual earnings (4-quarter averaging).
- Benefits were provided for 26 weeks instead of 30 weeks, and the maximum benefit level is set at 63% of the average annual wage.

Changes were made for claimants who voluntarily quit their jobs or who participate in misconduct.

<u>Under HB 2255, full-time workers will once again be subsidizing unemployment benefits for seasonal workers and employers will see an increase in their UI taxes beginning in 2007.</u>

HB 2255 is now in the Senate Rules Committee where it is eligible to be brought up for a full Senate vote. If the bill passes the Senate in its current form, it goes to the governor to be signed into law. If the Senate amends the bill, it will be returned to the House for concurrence.

SENATE DEMOCRATS REJECT REPUBLICAN EFFORTS TO STENGTHEN PERFORMANCE AUDIT BILL

Performance audits of state agencies are a way to assure taxpayers that their money is being spent wisely and that services and programs are delivered in the most cost-effective and efficient manner. Republicans offered an amendment to the House-passed measure (House Bill 1064) to give the independently elected Washington State Auditor explicit authority to conduct or contract for performance audits of all state agencies. The House language leaves the decision to conduct an audit and the criteria of an audit up to an appointed body and excludes transportation agencies. It is important to include the state Department of Transportation and other transportation agencies in the performance audit system; and accountability suffers when an appointed body rather than an elected official is responsible. Another key part of the Republican amendment provided oversight by the state Office of Financial Management to make sure that state agencies take corrective action when problems are discovered. This measure now goes back to the House for concurrence in the changes made by the Senate Government Operations Committee.

BILL COULD PROVIDE SMALL BUSINESS EMPLOYEES WITH HEALTH CARE INSURANCE FOR AS LOW AS \$200 PER MONTH

In 1993, 65 percent of Washington's small businesses provided their employees with health care coverage. Ten years later, a survey showed that 20 percent of those small businesses could no longer afford the coverage. That is when Senate Republicans began working for changes in state law that would make health care insurance more affordable for small businesses. A key win for Senate Republicans in 2004 was a bill to authorize less comprehensive and less expensive insurance plans to be marketed.

This year, **House Bill 2069** was introduced to create the Small Business Assistance Program (SBAP) within the Basic Health Plan (BHP), the state's subsidized health insurance program. However, the bill lacked support from the small business community until the Senate health care committee approved the following Republican amendments:

- Premium assistance to low-income employees will be offered in the same way the state subsidizes others enrolled in the BHP:
- Any plan offered under the SBAP must be available to any small business, not just those enrolled in the program;
- Plans designed for the program do not have to comply with the coverage mandates in the state insurance code: and
- The state's Health Care Authority is encouraged to use private carriers for the plans made available to small businesses and their employees.

HB 2069 is in the Senate Ways & Means Committee.

SEVEN SPECIAL LICENSE PLATES ON THEIR WAY TO WASHINGTON'S HIGHWAYS

Special license plates are a way to raise money and awareness for a variety of programs, causes and organizations. On April 5, seven such plates were approved by the full Legislature.

Keep Kids Safe license plates will raise funds and awareness to prevent child abuse and neglect for the Washington Council for Prevention of Child Abuse-Neglect. (co-sponsored by Sen. Oke)

We Love Our Pets license plates will support and enable the Washington Federation of Animal Care and Control Agencies to promote and perform spay/neuter surgery of Washington pets in order to reduce pet overpopulation. (sponsored by Sen. Oke)

Washington's Wildlife license plates displaying a symbol or artwork recognizing Washington's wildlife to include bear, deer, and elk will benefit the state Department of Fish & Wildlife games species management activities. (co-sponsored by Sen. Oke)

Parks & Recreation license plates will raise money for the enhancement of state parks. (co-sponsored by Sen. Oke)

Washington Lighthouses license plates will help support Washington lighthouses and environmental education programs.

National Parks license plates will build awareness of Washington's national parks and support priority park programs and projects in Washington's national parks.

Gonzaga University license plates will provide scholarship funds to needy and qualified students attending or planning to attend Gonzaga University.

RELIEF IS ON THE WAY FOR PEOPLE CONFUSED BY CREDIT LIFE AND DISABILITY INSURANCE

Credit life and credit disability insurance is often sold by retailers in conjunction with a loan or credit transaction, such as the purchase of a new car or major appliance. The coverage pays the outstanding balance or a portion of the loan balance if the purchaser dies or becomes disabled. On April 1, new regulations took effect that will enhance disclosure of terms and provide more reasonable rates on this kind of transaction. A fact sheet about the new regulation and how it will help consumers is available online at: http://www.insurance.wa.gov/consumers/credit/CreditInsuranceRule.asp.

NO CHILD LEFT BEHIND ACT IS MAKING A DIFFERENCE IN WASHINGTON

President Bush's commitment to the education of all children – from the inception of No Child Left Behind in 2001 to the President's proposed NCLB budget for 2006 – has made a difference in the lives of Washington's children. For example, in Lisa Horn's fourth grade class, all of her students passed the reading portion of the WASL test. Read more at: http://www.ed.gov/nclb/overview/importance/difference/washington.pdf.

> Legislative toll free hotline: 1-800-562-6000 TTY: 1-800-635-9993

Senate Republican Web site: www.src.wa.gov Legislature's Web site: http://www1.leg.wa.gov/legislature

Senator Oke's Web site: http://www1.leg.wa.gov/Senate/SRC/Senators/Oke.htm